



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
1600 EAST LAMAR BLVD
ARLINGTON, TEXAS 76011-4511

April 24, 2012

The Honorable Edward J. Markey
United States House of Representatives
Washington, DC 20515

Dear Congressman Markey:

The provisions of the "No Fear Act" specify, in part, that Federal employees are free to identify safety issues without fear of retaliation. However, there have been at least two recent examples in NRC's Region IV where staff members have been downgraded in their performance appraisals subsequent to disagreeing with Mr. Troy Pruett, the current Deputy Division Director, Division of Reactor Projects (DRP), on the scope and applicability of violations identified during routine and reactive inspection activities. In both his current position and in his previous assignment as the Deputy Director, Division of Reactor Safety (DRS), Mr. Pruett has openly criticized and denigrated professional staff during inspection debriefs for identifying inspection findings that he either failed to understand or that he disagreed with based on his myopic perceptions. These actions have resulted in a chilled environment that dissuades inspectors from identifying safety issues that may be challenged by Regional management. NRC senior management's reluctance to support potentially controversial issues is exacerbated by the unethical practice of using performance measures which directly equate Senior Executive Service (SES) bonuses to the number of enforcement actions challenged and overturned by licensees. Accordingly, this metric which, appears as a performance measure Item SAF29, in the Regional Operations Plan, serves as a significant deterrent to staff actively pursuing enforcement actions which could be refuted by licensee's and thus have a negative impact on SES bonuses.

Despite symbolic efforts by Regional management to remediate Mr. Pruett's repressive management style, he has repeatedly challenged and ultimately diminished the significance of valid inspection results during briefings and has openly berated and intimidated inspectors for raising safety issues. Specifically, inspection issues that he disagreed with were either significantly modified to change the characterization or were systematically removed from inspection reports prior to release. This corrosive environment which inhibits the ability of inspectors to identify safety-significant issues has resulted in two individuals leaving the NRC and at least two other instances of professional staff members receiving downgrades in their performance appraisals for identifying violations of regulatory requirements that Mr. Pruett disagreed with.

Although Mr. Pruett's retaliatory actions and his repressive management style have repeatedly been brought to the attention of Senior Regional management by staff members, only token efforts to address these adverse behaviors have been initiated and no meaningful corrective actions have been implemented. Furthermore, because the Inspector General typically defers

concerns involving NRC Senior management behavioral issues (including retaliation) back to the cognizant NRC management organization for resolution, an independent investigation of these concerns is warranted.

Mr. Pruett's repressive management practices, which are the antithesis of an open and collaborative work environment, were recently exemplified during contentious interactions with Region IV technical staff. During these exchanges he stated his strident disagreement with the staff's 'red' safety significance determination associated with the failure of both trains of 480v safety-related busses at Fort Calhoun Station. Specifically, Mr. Pruett stated that the agency should not classify the finding as having high safety significance because it would result in a "political environment" that would make his job, as the chairman of the Fort Calhoun Station restart committee, more difficult. To that end, Mr. Pruett directed the responsible inspection branch and the risk analysts to perform excessive reviews and additional sensitivity studies, involving several man weeks of effort, that were intended to support his position. However, once these unwarranted activities, which bordered on fraud, waste and abuse, were complete, he refused to discuss the results with the technical staff because they failed to support his predisposed position. Following this disagreement with Region IV's technical staff, Mr. Pruett traveled to NRC's headquarters in Rockville, MD, to meet with several senior management representatives regarding this issue. During this interaction he informed these individuals that Region IV staff agreed with his assertion that this condition was not significant. Although this misrepresentation of RIV's technical staff's position regarding this high safety significance issue were ultimately reconciled through the significance determination process, the willingness of Mr. Pruett to intentionally distort the fact to achieve his personal goals is irrefutable and they constitute an irreconcilable breach of integrity.

Validation of these concerns that have resulted in a chilled work environment and confirmation of NRC management's complacency regarding Mr. Pruett's harassment and intimidation of staff for raising safety concerns, can easily be substantiated based on interviews with a representative sample of Region IV, DRS and DRP, Branch Chiefs, Senior Reactor Analysts, and senior inspection staff members.

The commitment and dedication of the NRC's professional staff is well established and the preservation of this asset is imperative to the effective oversight of the commercial nuclear industry. However, because of the collegial organizational acceptance of management behaviors that challenge the ability of inspectors to identify and document violations of regulatory requirements, it is requested that an investigation be performed by an independent organization, such as Conger and Elsea Inc., to evaluate this breach of trust and acceptance of a management style that is contrary to the precepts of the No Fear Act. In order to achieve full disclosure, it is also requested that all material information, notes, transcripts, and draft materials related to this independent investigation be made publicly available consistent with the provisions of the Freedom of Information Act.

Sincerely,
Region IV Staff

cc: Chairman Gregory B. Jaczko, U.S. NRC
Commissioner William C. Ostendorff
Commissioner William D. Magwood
Commissioner Kristine L. Svinski
Commissioner George Apostolakis